



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

JUN 26 2013

CERTIFIED MAIL 7012 1010 0001 8097 3970
RETURN RECEIPT REQUESTED

Ms. Laurie Johnson
Environmental and Quality Leader
Alabama River Cellulose
2373 Lena Landegger Highway, County Road 39
P.O. Box 40
Perdue Hill, Alabama 36470

Re: Notice of Violation No. 309-2013-07
Information Request pursuant to 308 of the Clean Water Act
National Pollutant Discharge Elimination System Permit No: AL0025968
Alabama River Cellulose

Dear Ms. Johnson:

From March 13 through 22, 2012, the United States Environmental Protection Agency National Enforcement Investigations Center (NEIC) conducted a compliance inspection at Alabama River Cellulose (Facility) located in Perdue Hill, Alabama. The purpose of this inspection was to evaluate compliance with the Clean Water Act (CWA), among other Federal Statutes. During the inspection, 11 violations of the CWA, as well as three areas of concern were discovered. Pursuant to Section 309 (a)(1) of the CWA, 33 U.S.C. §1319(a)(1), the EPA hereby notifies the Facility that it has violated its National Pollutant Discharge Elimination System (NPDES) Permit No. AL0025968. The inspection findings are enclosed with this letter for your review, in Enclosure A.

The EPA requests, pursuant to Section 308 of the CWA, 33 U.S.C. §1318, that the Facility provide a written explanation of the reasons for each of the findings and any other effluent or NPDES Permit violations that may have occurred from March 2012 to the present. In addition, please provide a summary of actions taken or planned by the Facility to correct the problems and to prevent future violations. Where the actions are planned, please include a schedule for completing the actions.

The Facility's response should specifically reference the particular violation number, area of concern number, or effluent limit exceedance for the purpose of clarity. In addition, all information submitted must be accompanied by the following certification signed by a responsible official:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly

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responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.”

The Facility shall preserve, until further notice, all records (either written or electronic) which exist at the time of receipt of this letter that relate to any of the matters set forth in this letter. The term “records” shall be interpreted in the broadest sense to include information of every sort. The response to this information request shall include assurance that these record protection provisions were put in place, as required. No such records shall be disposed of until written authorization is received from the Chief of the Clean Water Enforcement Branch of the U.S. EPA Region 4.

If you believe that any of the requested information constitutes confidential business information, you may assert a confidentiality claim with respect to such information except for effluent data. Further details, including how to make a business confidentiality claim, are found in Enclosure B.

Also, enclosed is a document entitled *U.S. EPA Small Business Resources Information Sheet*, which may assist you in understanding the compliance assistance resources and tools available to the Facility. However, any decision to seek compliance assistance at this time does not relieve the Facility of its obligations to the EPA or the State of Alabama, does not create any new rights or defenses and will not affect the EPA’s decision to pursue enforcement action. In addition, the Securities and Exchange Commission (SEC) requires its registrants to periodically disclose environmental legal proceedings in statements filed with the SEC. To assist you, the EPA has also enclosed a document entitled *Notice of Securities and Exchange Commission Registrants’ Duty to Disclose Environmental Legal Proceedings*.

The Facility must submit the requested information within 30 days of receipt of this correspondence. The submittal must be addressed to:

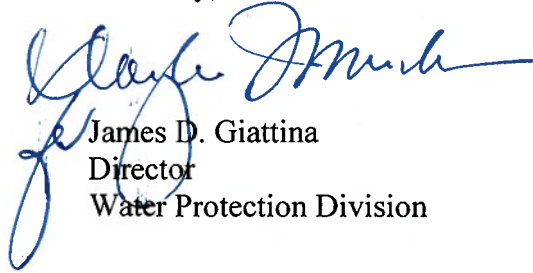
Ms. Laurie Jones
U.S. Environmental Protection Agency, Region 4
Clean Water Enforcement Branch
61 Forsyth Street, S.W.
Atlanta, Georgia 30303-8960

The State of Alabama is being concurrently notified of these findings. The EPA is coordinating with the State to ensure that timely and appropriate enforcement action is taken and compliance with the conditions of the NPDES Permit is achieved.

If these violations are not resolved in a timely or appropriate manner, and/or if the Facility fails to respond to the Information Request, the EPA may take enforcement action, which may include issuance of an administrative order, assessment of administrative penalties, or initiation of a civil judicial action pursuant to Section 309 of the CWA, 33 U.S.C. §1319. In addition, there is potential criminal liability for the falsification of any response to the requested information.

If you have questions regarding this notice and information request, please feel free to contact Ms. Laurie Jones, Environmental Engineer at (404) 562-9201, or by email at jones.laurie@epa.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "James D. Giattina".

James D. Giattina
Director
Water Protection Division

Enclosures

cc: Ms. Glenda Dean
Alabama Department of Environmental Management

Enclosure A

Violation Number	Regulatory Citation	Inspection Observations/ Record Review Findings
1	<p>NPDES Permit No. AL 0025968 Part I.B.1. Representative Sampling – <i>Samples and measurements taken as required herein shall be representative of the volume and nature of the monitored discharge and shall be in accordance with provisions in this permit</i></p>	<p>NEIC inspectors observed several issues during their evaluation of Alabama River Cellulose's final effluent sampling point for outfall DSN001 during the week of March 19, 2012:</p> <ul style="list-style-type: none"> • The sampling tube inside the sample pit was located 3 feet above the bottom of the sump and does not allow for a representative sample to be collected due to the river fluctuations influence on the sample pit, which has submerged the 20 feet of sample tubing. • Due to the programming of the composite sampler and the river fluctuations on the sample pit, the composite sampler was unable to purge the line prior to taking another sample. If the sample line is not purged, subsequent samples will not be completely representative of separate sample volumes/events. • The current method of calculating the effluent flow at outfall DSN001 does not represent the flow discharged through outfall DSN001. The flow calculation is currently performed using the total combined flow from the foul condensate system and the flow from the equalization basins into the cooling towers. Losses from evaporation in the cooling towers, wasting/recycling from the primary and secondary clarifiers, and the return from the sludge presses are not taken into account. The permit requires continuous monitoring at the outfall, not a calculation. The sampling location specified in the permit is the nearest accessible location just prior to discharge and after final treatment, not multiple internal locations. • No sample was collected due to a "no liquid detect" error on the ISCO 3710 sampler. If samples cannot be collected for the composite sample at the correct times, a representative sample will not be collected during that sampling event. This could be due to an error with the equipment or the programming of the equipment.
2	<p>NPDES Permit No. AL 0025968 Part II A. 1. Facilities Operations and Maintenance – <i>The permittee shall at all times properly operate and maintain all facilities and system of treatment and control (and related appurtenances) which are installed or used by the permittee to achieve compliance with the conditions of the permit. Proper operations and maintenance includes the effective performance, adequate operator staffing and training, and adequate laboratory and process controls, including appropriate quality assurance procedures. This provision requires the operation of backup or auxiliary facilities only when necessary to achieve compliance with the conditions of the permit</i></p>	<p>During walkthrough and document review of Alabama River Cellulose's facility during the week of March 19, 2012, NEIC inspectors observed the following:</p> <ul style="list-style-type: none"> • Septic conditions (floating sludge and bubbling) were observed in the No. 4 primary clarifier. • The No. 4 primary clarifier overflow weir was missing teeth that would retain any floating debris. • The silt fences were incorrectly placed or in disrepair, allowing water to drain underneath, preventing the retention of sediments at outfalls DSN003, DSN004, and DSN005.

3	<p>NPDES Permit No. AL 0025968 Part I.B.3. - For each measurement or sample taken pursuant to the requirements of this permit, the permittee shall record the following information:</p> <p><i>f. The results of all required analyses.</i></p>	<p>During a walkthrough of the WWTP and a review of the sample bench sheets at Alabama River Cellulose during the week of March 19, 2012, NEIC inspectors identified the following at outfall DSN001:</p> <ul style="list-style-type: none"> • Though no permit exceedances were found, it was discovered that the Biological Oxygen Demand (BOD) and Total Suspended Solids (TSS) calculation totals to determine the pounds per day discharged were performed incorrectly due to math errors on bench sheets on nine different occasions.
4	<p>NPDES Permit No. AL 0025968 Part I B. 5. Monitoring Equipment and Instrumentation – All equipment and instrumentation used to determine compliance with the requirements of this permit shall be installed, maintained, and calibrated in accordance with the manufacturer's instructions or in the absence of manufacturer's instructions in accordance with accepted practices.</p>	<p>During a walkthrough of the wastewater treatment plant sampling house for outfall DSN001 on March 19, 2012, NEIC inspectors noted the following:</p> <ul style="list-style-type: none"> • An expired pH 7 buffer was in use for calibration (the pH buffer solution expired October 13, 2011; Alabama River Cellulose replaced the expired pH buffer solution with another that was not expired when it was identified). Expired buffers may result in improper calibration and inaccurate pH readings.
5	<p>NPDES Permit No. AL 0025968 Part I B. 2. a. – ...Test procedures for the analysis of pollutants shall conform to 40 CFR Part 136 and guidelines published pursuant to Section 304(h) of the FWPCA, 33 U.S.C. Section 1314(h).</p> <p>NPDES Permit No. AL 0025968 Part I B. 3. - For each measurement or sample taken pursuant to the requirements of this permit, the permittee shall record the following information:</p> <ul style="list-style-type: none"> • a.–The facility name and location, point source number, date, time and exact place of sampling; • c. –The dates and times analyses were performed <p>40 CFR § 136 Table II – Required Containers, Preservation Techniques, and Holding Times</p> <ul style="list-style-type: none"> • <i>Samples for pH analysis are required to be analyzed within fifteen minutes.</i> <p>40 CFR § 136 Table II – Required Containers, Preservation Techniques, and Holding Times</p> <ul style="list-style-type: none"> • <i>Samples for Phenols analysis need to be cooled to \leq to 6° C</i> 	<p>During a walkthrough of the WWTP laboratory and review of the sample bench sheets at Alabama River Cellulose during the week of March 19, 2012, NEIC inspectors identified the following:</p> <ul style="list-style-type: none"> • During a review of bench sheets for outfall DSN001 from January 2009 through February 2012, pH holding times were exceeded on 34 occasions. • During a review of bench sheets for outfall DSN001 from January 2009 through February 2012, eight samples were taken for which the time was not documented. • Samples taken for phenols at the internal outfalls DSN001a, DSN001b, DSN001c, and DSN001d are not properly preserved during transportation or storage before going to the on-site laboratory. Per statements made during the inspection by Alabama River Cellulose representatives, this has been standard practice for the facility, prior to and during the inspection.
6	<p>NPDES Permit No. AL 0025968 Part I.A. Discharge Limitations and Monitoring Requirements, DSN001:</p> <ul style="list-style-type: none"> • Total Suspended Solids (TSS) discharge monthly average limit is 83,368 ppd • Absorbable Organic Halides 	<p>During NEIC's review of DMRs from January 2009 through February 2012, NEIC identified one exceedance of TSS discharge limitations at outfall DSN001. NEIC also identified that AOX samples had not been measured for outfall DSN001 on one occasion.</p> <p>TSS exceedance</p> <ul style="list-style-type: none"> • June 2011

	(AOX) sample frequency is 3 times per week	AOX failure to sample <ul style="list-style-type: none"> September 2011
7	NPDES Permit No. AL 0025968 Part I.A. Discharge Limitations and Monitoring Requirements, DSN002: <ul style="list-style-type: none"> pH discharge limit is 5.5 to 9.0 standard units (s.u.) Total Suspended Solids monthly average is 30 milligrams per liter (mg/L) 	During NEIC's review of DMRs from January 2009 through February 2012, NEIC identified one exceedance of pH discharge limitations at outfall DSN002. NEIC also identified that TSS had been exceeded at DSN002 on three occasions. <p>pH exceedance</p> <ul style="list-style-type: none"> May 2009 <p>TSS exceedances</p> <ul style="list-style-type: none"> March 2009 May 2009 November 2009
8	NPDES Permit Number AL 0025968 Part IV B. 2. i – Develop a solvent management plan, if solvents are used on site. The solvent management plan shall include as a minimum lists of the total organic compounds on site; the methods of disposal used instead of dumping, such as reclamation, contract hauling; and the procedures for assuring that toxic organics do not routinely spill or leak into the storm water; <p>NPDES Permit Number AL 0025968 Part IV A. 10. a- The mill must achieve compliance with the BMP requirement(s) upon the permit effective date.</p>	At the time of the NEIC inspection, a solvent management plan was not available for review. Following the inspection, NEIC requested the solvent management plan from Alabama River Cellulose. The items referred to in Alabama River Cellulose's response do not meet the requirements in the permit. <ul style="list-style-type: none"> A list of the total organic compounds on site was not produced. The procedures for assuring that toxic organics do not routinely spill or leak into the stormwater was not produced.
9	NPDES Permit No. AL 0025968 Part II A.2.b. The permittee shall prepare, implement, and maintain a Spill Prevention Control and Countermeasures (SPCC) Plan in accordance with 40 C.F.R. Section 112 if required thereby. <p>40 CFR § 112.4 (a)(6) – An adequate description of the facility, including maps, flow diagrams, and topographical maps, as necessary;</p> <p>40 CFR § 112.5 (a) – Amend the SPCC Plan for your facility in accordance with the general requirements in 112.7 and with any specific section of this part applicable to your facility, when there is a change in the facility design, construction, operation, or maintenance that materially affects its potential for discharge as described in 112.1(b).</p>	During NEIC's review of Alabama River Cellulose's Spill Prevention, Control, and Countermeasures (SPCC) Plan, dated December 2011 NEIC identified the following discrepancy: <ul style="list-style-type: none"> The biodiesel unit was never brought completely online and needs to be removed from the SPCC plan.
10	NPDES Permit No. AL 0025968 Part I.B.3. - For each measurement or sample taken pursuant to the requirements of this permit, the permittee shall record the following information: <p>b The name(s) of person(s) who obtained</p>	During a walkthrough of the WWTP laboratory and review of the sample bench sheets at Alabama River Cellulose during the week of March 19, 2012, NEIC inspectors identified the following: <ul style="list-style-type: none"> The name of the person taking the sample was not correctly identified or documented on the chain of custody (COC) forms. The inspection team observed the WWTP laboratory process a sample. During this process it was found that night staff routinely

	<i>the samples or measurements;</i>	takes NPDES Permit required samples but do not document his/herself as the person who collected the sample on the COC form. When Mark Hendrix arrives the next morning, he enters his name as the person who collected the sample on the COC form. This was standard practice prior to and during the NEIC inspection, according to Mark Hendrix, who works the day shift, who stated that "Samples are taken during the night shift and refrigerated until processed on-site or sent to an off-site laboratory for analysis."
11	NPDES Permit No. AL 0025968 Part IV B.2.k.	During a review of the Stormwater Best Management Practices Plan (SWBMP) it was discovered that only outfall DSN003 was listed in the document. The SWBMP should include stormwater outfalls DSN004, DSN005, and DSN006. These outfalls are in the site plans and listed as stormwater outfalls.
Area of Concern Number	Regulatory Citation	Inspection Observations/ Record Review Findings
1	<p>40 CFR § 136 Table II – Required Containers, Preservation Techniques, and Holding Times Maximum holding time <i>Samples for dissolved oxygen analysis are required to be analyzed within fifteen minutes.</i></p> <p>Note: Alabama River Cellulose stated that these DO measurements were for internal purposes only. The issues identified should be remediated if these DO sampling results are ever used for permit application purposes or for end-of –permit cycle sampling.</p>	<p>During a walkthrough of the WWTP laboratory and review of the sample bench sheets at Alabama River Cellulose during the week of March 19, 2012, NEIC inspectors identified the following:</p> <ul style="list-style-type: none"> Although Dissolved Oxygen (DO) is not required to be conducted on the effluent samples, during the review of bench sheets for outfall DSN001 from January 2009 through February 2012 it was discovered that DO holding times were exceeded on 34 occasions. The dissolved oxygen levels at outfall 001 vary between 0.4 and 8 units of milligram per liter, which could be due to a variation in the treatment system or an error with the way the dissolved oxygen is measured.
2	<p>NPDES Permit No. AL 0025968 Part IV E. Stream Monitoring Requirements... <i>Parameters monitored shall be dissolved oxygen, BOD5, water temperature and pH, all measured at the 5 foot depth.</i></p>	Due to river fluctuations, Alabama River Cellulose is not always able to conduct stream monitoring at the 5-foot depth. The river has been recorded at levels below 5 feet, and personnel have to search in the monitoring area for a place that meets the required 5-foot-depth interval. This results in Alabama River Cellulose not monitoring at the same location as they would normally when the Alabama River is at greater depth.
3	2004 NPDES Compliance Inspection Manual, Page 5-4	The composite sampler was collecting 50-60-milli-liter aliquots; however, the NPDES Inspector manual Chapter 5 requires a minimum of 100-milli-liter aliquots be taken in order to minimize sampler solids bias.

ENCLOSURE B

RIGHT TO ASSERT BUSINESS CONFIDENTIALITY CLAIMS

(40 C.F.R. Part 2)

Except for effluent data, you may, if you desire, assert a business confidentiality claim as to any or all of the information that the EPA is requesting from you. The EPA regulation relating to business confidentiality claims is found at 40 C.F.R. Part 2.

If you assert such a claim for the requested information, the EPA will only disclose the information to the extent and under the procedures set out in the cited regulations. If no business confidentiality claim accompanies the information, the EPA may make the information available to the public without any further notice to you.

40 C.F.R. § 2.203(b). **Method and time of asserting business confidentiality claim.** A business which is submitting information to the EPA may assert a business confidentiality claim covering the information by placing on (or attaching to) the information, at the time it is submitted to the EPA, a cover sheet, stamped or typed legend, or other suitable form of notice employing language such as trade secret, proprietary, or company confidential. Allegedly confidential portions of otherwise non-confidential documents should be clearly identified by the business, and may be submitted separately to facilitate identification and handling by the EPA. If the business desires confidential treatment only until a certain date or until the occurrence of a certain event, the notice should so state.

